



Foreign Agricultural Service

**GAIN Report**

Global Agriculture Information Network

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GAIN Report #CO2019

## Colombia

### Grain and Feed

### Wheat and Corn Update

**2002**

Approved by:

**David J. Mergen**

**U.S. Embassy**

Prepared by:

Leonardo Pinzon

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#### **Report Highlights:**

**Higher prices are expected to reduce domestic consumption and imports of wheat. Imports are projected to fall from 1.22 million tons to 1.1 million tons in MY 2002/2003. Imports of corn are not expected to change significantly, since part of the higher world price has been offset by reductions in duties paid under the price band system.**

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Includes PSD changes: Yes  
Includes Trade Matrix: No  
Unscheduled Report  
Bogota [CO1], CO

**Wheat**

Due to higher current world prices, imports are expected to fall nine percent, from 1.22 million tons to 1.1 million tons, and total consumption is expected to fall 7.3 percent (90,000 tons). Stocks are projected to fall by 15 percent or 19,000 tons. Bakery producers in Colombia are very sensitive to changes in the wheat flour prices, which in turn reflects the movement of international prices. In order to pass on to consumer the higher prices, the bakery industry, which consumes about 70 percent of the wheat imported, reduces the amount of wheat flour included in the product, increases the price and changes the size of products.

**Corn**

Colombia's corn production and domestic consumption are not expected to change significantly from the previous estimates in Gain Report CO2007. Reductions in duties under the price band system (which automatically cuts duties as prices rise) has reduced the impact of higher world prices on local demand. Colombia has a strong feed industry that depends almost completely on corn imports, while local corn production is mainly used for human consumption.

**Table 1: Colombia Wheat PSD, (1,000 Hectares and 1,000 Tons)**

PSD Table						
Country	Colombia					
Commodity	Wheat				(1000 HA)(1000 MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		07/2000		07/2001		07/2002
Area Harvested	14	14	15	14	0	15
Beginning Stocks	125	105	125	119	125	128
Production	29	29	30	29	0	31
TOTAL Mkt. Yr. Imports	1170	1165	1200	1220	0	1100
Jul-Jun Imports	1170	1165	1200	1220	0	1100
Jul-Jun Import U.S.	629	559	0	585	0	528
TOTAL SUPPLY	1324	1299	1355	1368	125	1259
TOTAL Mkt. Yr. Exports	0	0	0	0	0	0
Jul-Jun Exports	0	0	0	0	0	0
Feed Dom. Consumption	20	0	20	0	0	0
TOTAL Dom. Consumption	1199	1180	1230	1240	0	1150
Ending Stocks	125	119	125	128	0	109
TOTAL DISTRIBUTION	1324	1299	1355	1368	0	1259

**Table 2: Colombia Corn PSD**

PSD Table						
Country	Colombia					
Commodity	Corn				(1000 HA)(1000 MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		10/2000		10/2001		10/2002
Area Harvested	530	530	540	550	0	570
Beginning Stocks	128	140	119	128	79	108
Production	1036	1080	1060	1110	0	1145
TOTAL Mkt. Yr. Imports	1855	1768	1800	1890	0	2020
Oct-Sep Imports	1855	1768	1800	1890	0	2020
Oct-Sep Import U.S.	0	1567	0	1670	0	1780
TOTAL SUPPLY	3019	2988	2979	3128	79	3273
TOTAL Mkt. Yr. Exports	0	0	0	0	0	0
Oct-Sep Exports	0	0	0	0	0	0
Feed Dom. Consumption	1650	1650	1650	1690	0	1810
TOTAL Dom. Consumption	2900	2860	2900	3020	0	3160
Ending Stocks	119	128	79	108	0	113
TOTAL DISTRIBUTION	3019	2988	2979	3128	0	3273